

## **132nd MAINE LEGISLATURE**

## FIRST SPECIAL SESSION-2025

**Legislative Document** 

No. 1392

H.P. 914

House of Representatives, April 1, 2025

An Act to Limit the Applicability of the Laws Regulating Payroll Processors to Services Provided by Payroll Processors to Employers with a Legal Address in the State

(EMERGENCY)

Reference to the Committee on Housing and Economic Development suggested and ordered printed.

R(+ B. Hunt

ROBERT B. HUNT Clerk

Presented by Representative ROBERTS of South Berwick.

1 **Emergency preamble. Whereas,** acts and resolves of the Legislature do not 2 become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, payroll processing regulations in this State require immediate modification to clarify what types of employers are covered under the provisions of law governing regulation of payroll processors and by extension clarify how remote workers are treated under these provisions to ensure compliance with state laws and business regulations; and

7 **Whereas,** ensuring a clear legal framework for payroll processors and employers is 8 essential for economic stability and the proper administration of business regulations; and

9 Whereas, without immediate action, businesses may face uncertainty in payroll 10 processing, potentially leading to compliance issues, delayed wage payments and 11 administrative burdens for employees and employees; and

- 12 Whereas, in the judgment of the Legislature, these facts create an emergency within 13 the meaning of the Constitution of Maine and require the following legislation as 14 immediately necessary for the preservation of the public peace, health and safety; now, 15 therefore,
- 16 Be it enacted by the People of the State of Maine as follows:
- Sec. 1. 10 MRSA §1495, sub-§1, as enacted by PL 1997, c. 495, §1, is amended to
   read:

Employer. "Employer" means a person that maintains an office or otherwise
 transacts business a legal address in this State and makes payment of wages taxable under
 Title 36, Part 8 to a resident or nonresident individual. For the purposes of this subsection,
 "legal address" means the mailing address the employer requesting the payroll processing
 services uses with the United States Internal Revenue Service.

- Emergency clause. In view of the emergency cited in the preamble, this legislation
   takes effect when approved.
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## SUMMARY

This bill narrows the applicability of the law regulating payroll processors in this State
to services provided by payroll processors to employers that have a legal address in this
State.